The Saturday Review

Financial Supplement

Conducted by Hartley Withers

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The Outlook

With one eye on Genoa, another on Bank Rate, and yet another, in the back of its mind, on the Budget, the City has managed to maintain its attitude of optimism based on the prospect of continual depression. Quite well-informed people can still be found who believe that in spite of restrictions on the agenda at Genoa, something—and something sensible—will there be done about reparations and Allied debt; and the mark for some time showed a consistent tendency to improve in value. As to Bank Rate, there was no more reason, and no less, why it should come down this week than last. In the meantime, War Loan went over par, with the assistance of the dividend for nearly a half year that it now carries. Expectations of a reduction in the income-tax were damped by a statement in Tuesday's *Morning Post,* by its Political Correspondent, to the effect that the Chancellor cannot make any reduction unless he is allowed to capitalize pensions. If the Government begins to meet its obligations by borrowing, the triumph of the wasters will be complete, for all incentive to economy will be gone. The Trade Returns for March, dealt with on a later page, look quite satisfactory, when allowance is made for lower prices.

MONEY AND EXCHANGES

Money has rather disappointed its backers by failing to beat discount in the race for cheapness. With the clearing banks insisting on 3 per cent. for weekly loans, and daily money generally running at 2½ per cent., bill brokers complain that there is now no profit in buying bills at and below 2$\frac{11}{16}$ per cent. As most dealers already have well-filled portfolios, business has been very nearly blank. Among rates and exchanges there has been a general movement towards normal, New York, Holland, Switzerland and Stockholm having gone in our favour, while the depreciated currencies have improved, led by Berlin; but Austria was exceptionally weaker.

THE GOVERNMENT ACCOUNTS

Expenditure exceeded revenue by nearly £7¾ millions during the first eight days of April, owing to War Debt interest, which accounted for £28½ millions out of £39 millions spent. During the same period no less than £56½ millions of Treasury bills and £18 millions of Exchequer Bonds were repaid. On the other hand the Exchequer received over £19 millions by the sale of Savings Certificates and nearly as much by Treasury Bonds placed, while it drew its balances down by £8 millions and borrowed £8½ millions from the Bank of England and nearly £29 millions from the departments.

STOCK MARKET LETTER

Tradition demands that any writer on Stock Exchange subjects should lead off, at this season of the year, with the observation that members of the House dispersed for the Easter recess with every hope and confidence of an influx of better business after the holiday. For once in a way, convention rings truly enough, because we have been amazingly busy this week, having regard to the season of the year, and there is not only every hope, but every probability, of our markets developing still greater activity after Easter. The Genoa affair does not trouble us a bit. Investors seem to take but the slightest interest in its acrimonious discussions. I have not heard the Conference even mentioned as a practical market factor. The prices of our stocks and shares show clearly enough that these foreign politics do not debar the monied man from investing in whatever takes his fancy, though France be angry, Germany sulky, and the Bolsheviks buoyantly blatant.

There were literally hundreds of War Loan selling limits to be executed at 100, but when these were cleared off the price easily went ahead again. I expect that a good many of those who sold at 100 this week will be remembering, with some regret, that the price goes "ex" £2 10s. clean dividend in about a fortnight's time, so that at 100 the virtual ex dividend price of the War Loan is 97½, a figure at which it certainly does not look expensive in the light of present-day monetary conditions.

Stockbrokers are bombarded with enquiries as to whether their clients should sell War Loan; and, if so, into what stock the money can be profitably turned. And who would be a stockbroker to have to answer so difficult a question? The hapless man, always willing to acquiesce in what his client suggests (provided it seems reasonable), and equally ready to earn the commission which is dangled before him, feels that, after all, there is not much to be gained by selling stock unless the holder is prepared to launch out into something much more speculative than a trustee security. If a man likes to run the risk of exchanging a gilt-edged and irreproachable investment for something of different calibre, he can still find scope for speculative fancy in such bonds as those of the Czechoslovak 8 per cents. at 98¾, the Whitehall Electric 6 per cent. Debenture at 87, Siam Government 7 per cents. at 105. Should he care to enter the realm of currency speculation, pure and simple, there are French Government bonds, Fours obtainable at 63¾, Fives at 45¾.

Speculation is very much in the air just now. Everybody wants to know how soon the Stock Exchange will be allowed to return to periodical settlements and contangoes. From the multitude of enquiries, one would almost imagine that there are dense rings of eager clients surrounding every Stock Exchange in the kingdom, clamouring for the earliest facilities in the matter of carrying-over stocks and shares. A man bet me half-a-crown that we should not be doing contango business in June, and I took it, for the odds are fairly level, the only drawback being, from my point of view, that the Committee may postpone confirmation of the rules on May 15, which rules can alone remove the present bar to speculation and bi-monthly settlements. After all the dust and fuss which had been kicked up in connection with the discussion about contangoes, it seems something of an anti-climax for us to glide

quietly into the pre-war state of affairs when we shall once more be giving on, and taking-in stock. The Consol market has refused to have anything to do with such a thing, and I hear a good deal of resentment at this step. Men argue that if the jobbers in the Consol market will not carry-over their own securities, this means that the business will simply go to the banks, and the House will be shorn of a very profitable source of income.

The Stock Exchange accounts and balance sheet came out on Wednesday. The Revenue Account shows a credit balance of £136,500, or £32,000 less than that of a year ago. Receipts were £28,375 down, and expenses £3,909 up. There are now 3,928 members of the House—about a hundred less than there were this time last year.

JANUS

INTERNATIONAL DEBTS

AS long as doubts exist concerning the amount of reparation, the way in which it is to be paid, and the problem of inter-allied debt, it is idle to consider measures of stabilization and devaluation or any of the other nostrums with which Genoa is said to be going to concern itself. It is therefore highly opportune that Mr. Goodenough, chairman of Barclays Bank, should have been invited to address the American Chamber of Commerce in London last Monday on the subject of Inter-Allied Debts and the Reparations due by Germany. As to the economic effect of the payment of these war debts, Mr. Goodenough observed that quite apart from the point of view of humanity, self-interest dictates that the burden to be imposed through them upon any particular people, or nation, even upon those who may have committed the greatest wrong, shall not be greater than they are able to bear, or such as shall reduce them to a too low standard of living. "It would not be to the advantage of the world as a whole that there should be a very low standard in any one country, more particularly if the country is possessed of few natural resources and is dependent, therefore, upon its industry and exports to provide for the necessaries of life and for the payment of its obligations. A condition of low wages, provided there is not a corresponding reduction in efficiency, might give to a country, not only the incentive, but also the ability to compete unduly with the rest of the world." This point of view which has been effectively insisted on by other authorities who have considered the question, evidently deserves attention and respect, but certain qualifying considerations must not be left out of account. To put the matter in a concrete form it implies that Germany, in order to pay the indemnity required, is going to work much harder than it would otherwise have worked and consequently will subject the rest of the world to unfair competition. If German workmen are prepared to work for lower wages than those of other countries—and it remains to be seen how long this will be so—and if German industrialists are more skilful and economical in the management of their business, these advantages will remain in the hands of German trade whether an indemnity is paid or not; and it is surely open to question whether the competition, however unfair it may be, that is to be expected from German industry, is likely to be modified by a reduction or even a complete wiping out of the indemnity claims. Germany will sell her goods and services wherever she can whether she has to pay an indemnity or not. If she has to pay an indemnity its payment will tend to impose a handicap upon her trade in the form of the taxation necessary for its payment, and to relieve the trade of her competitors by a reduction of the taxation which they would otherwise have to meet. There are plenty of reasons why it would be extremely foolish and shortsighted on the part of the Allies to insist on an indemnity from Germany which is beyond the power of Germany to pay. But this assumption, that the payment of an indemnity will make the Germans work harder than they otherwise would have done, seems to be one on which it is very easy to lay too much stress. Mr. Goodenough proceeded to give some tables showing the extent of the total debt due for inter-allied debts as about £4,000 millions sterling, making with the reparation payments of £6,600 millions, a total, including the figure due from Russia, of over £10,000 millions sterling. This does not include the amount of debt due by each country to its own people for war expenditure, nor the amounts due to Great Britain from her Dominions. He also omitted the debt due from the smaller allied countries, such as Serbia, Rumania, Portugal, and certain non-European powers. These figures he left out since the amounts were not large and they did not materially affect the world's economic problem. He also drew attention to the highly important fact relating to the debt of £952,000,000 from Great Britain to the United States. "This amount," he said, "was borrowed from America after she entered the war, and during the same period a somewhat larger sum was lent by Great Britain to the Allies in addition to that which she had already lent to them before that period. It is important to note that if Great Britain had not lent this sum to her other Allies, it would have been unnecessary for her to have borrowed one penny from the United States of America. Everyone will agree that through the action of Great Britain, America is in a better position than if the money had been lent by her directly to the other Allied countries. I do not, however, wish to suggest that Great Britain should not pay this debt of £952,000,000 for which she made herself liable. Indeed, my view is, and always has been, that Great Britain will inevitably pay her debts in full, even though they were incurred on behalf of others, but I feel that in such a case as this America should not press us, but should give ample time for payment, and should lend us a friendly hand in matter of interest, by modifying the rates in the early days whilst we are still finding it a hard struggle to cope with the financial obligations which we have incurred through the part which we played in the war. Nor do I suggest that Great Britain will refuse to remit some portion of what may be owing to her by her European Allies or by Germany unless the United States of America also make some remission in respect of some part of the debts which are owed to that country. I believe that Great Britain will act in this matter according to her own judgment as to what is sound or unsound. Notwithstanding, however, it would be for the common good of the world if Great Britain and America should come to an agreement as to the economic aspect of the problem."

In considering the totals of the indebtedness in this review by Mr. Goodenough, we have surely to consider one point to which his address did not call direct attention. This £10,000 millions sterling and the obligation imposed by the interest and sinking fund involved by it is considerably diminished when we remember that a great deal of it consists of debts which appear on both sides of the balance sheet of some of the parties involved. All the Continental creditors of Germany on reparation account owe money to America, and France, Italy, Russia and Belgium owe money to us, while Russia and Belgium also owe money to France. Thus, whether or not some process of "reading through," as is finally suggested by Mr. Goodenough, can be definitely established, the actual payments required will be on a very much smaller scale, supposing that payment really began, than the huge figures that he has marshalled would seem to indicate. As he says, when he comes to describe the method of payment by goods and services, "manufactured goods are sold by (say) Germany to (say) the United States and are paid for by the latter in dollars, and Germany being required to make a payment to (say) Great Britain, on account of the indemnity or reparation payments, will sell the dollars and buy sterling with which to discharge this debt. Germany will sell goods wherever she can find a market, and will convert the currency in which she receives payment into that currency in which she is required to make payments on

account of her indemnities or reparations, and the same process will be followed in the case of the other debtor countries in the discharge of their war debts." But, surely, seeing that we owe to America, when manufactured goods are sold by Germany to America that process will involve not only the payment of German account to us but also the payment on our account to America. And this process, applied all round, would greatly reduce the actual amount to be handled and the consequent dislocation, not only in trade but in the exchange markets of the world. Instead of having to send goods to America in payment of our debt, and take goods from Germany in payment of the indemnity, we should, in effect, tell Germany to sell goods to America in payment of our debt to the United States Government. Nevertheless, everyone will agree that though Mr. Goodenough may have perhaps slightly over-stated his case, his conclusion is sound when he says that some modification must take place in regard to the amount of the war debts and reparation payments; and it is highly desirable, as he contends, that as soon as possible the amount to be paid by each debtor nation should be finally decided and that all uncertainty be removed. He proposes that bonds shall be created to repay the amount of the debt which is decided for each country, and that these should be gradually offered to the public for investment, supported by national guarantees. "For instance," he says, "if France were paying a portion of her debt to us, she could endorse certain of her Reparation Bonds to us for this purpose. We, in our turn, could endorse them to America in discharge of our debt to her. America would thus have a reparation bond endorsed by both France and England, and providing the amount fixed for Germany to pay were a practicable sum, the contingent liability would not be a matter for serious concern." Perhaps not, but this contingent liability would still be a cause of doubt and uncertainty, and it would surely be a much more businesslike arrangement if, as suggested in the SATURDAY REVIEW of March 25, the Allied debts to America could be paid in German Indemnity Prior Lien Bonds, the amount of the indemnity being so modified that they would be a really first rate security which could be taken by the United States without endorsement, the mutual indebtedness between the European Allies being at the same time cancelled.

HARTLEY WITHERS

A TAXATION GAMBLE

By "STATISTICIAN"

THE desire to be free from the weight of taxation—a weight which owes much of its special burden to the way in which depression has succeeded boom before the liabilities of the boom period have been fully discharged—leads in many quarters to the statement that it would be good policy to make a substantial reduction in the income-tax. It is said that we should not in consequence fail to balance future budgets, but that, provided we have the necessary pluck to take this step, we should give industry an immense impetus, whereupon profits and incomes would increase to such an extent as to enable the reduced rate of tax to provide a yield equal to that to be derived from the oppressive rates now being imposed. Many people think this proposition is so self-evident that it needs no examination or elaboration. It is quite certain, however, that if anyone will take the trouble to examine carefully the data upon which it is based, they will arise from that mental enterprise with ideas that have certainly been modified in the process.

As a preliminary, it is often suggested that the present rates can only be paid out of capital. Of course, it is quite true that any tax, however light, must be paid out of capital if we assume that, in the absence of the tax, such money would have been saved. But equally it might have been spent. All that we really mean by this elusive phrase is either that the payment of taxes is encroaching upon and destroying existing embodied capital, or that it is preventing the results of current effort being put to capital uses at as great a rate as we think necessary, or at as great a rate as saving used to be made, or at as great a rate as we should like.

Now upon the first point, there is practically no evidence at all that taxation is encroaching upon past fixed or normal circulating capital. The fact that some people invested money that really ought to have been reserved or held up for taxation, and did not belong to them, and that, therefore, they are now faced with the task of getting that money released, is no evidence to the contrary. On the second point, before we can say that taxes are being paid out of capital, we must decide what is the normal or ideal amount or rate of savings; otherwise our words are meaningless. It would be hard to prove that the amount available for capital uses is below actual present requirements of industry.

People who talk glibly about "taking a chance" on the reduction of taxation because of the stimulus that it would give, should remember the prognostications about the reduction of the rate of the Excess Profits Duty, and their complete contradiction by the facts. It is presumed that the reduction of tax rates on rent and interest of a fixed character would not anywhere increase "incentive" so far as the capital producing them is concerned. The only area over which there could be an increased income is that covered by business profits and salaries. If anyone will examine the statistics of the profits of companies and private firms to see what part of that area is likely to be able to respond to such a fillip, they will be surprised how small a proportion it really is. It certainly does not exceed one-fifth or one-sixth of Schedule D, and is therefore a much smaller part of the whole income-tax. Under modern joint stock enterprise very little difference can be made to the efforts of the management and the staff according to whether the rate is 6s. or 5s. in the £. It is only over a limited area of personal effort that such an effect could really be important. Indeed, there are many people who work all the harder because of the high taxation in order to get a reasonably good net income, and these might be led to slacken their efforts. But if one allows the fullest effect to this particular section that could be stimulated to greater profit, it will be felt that for every shilling in the £ of reduction in the income-tax, it is very unlikely that the effect on increased profit could restore more than 2d. to 3d. of it. Moreover, such effect could not be felt until the year 1922 comes into the three-year average, the first payment on account of which year is in January, 1924. These are the kind of odds that any Chancellor taking this gamble has to face.

It is, however, alleged that the community will have a larger spending power. But the Government do not throw the money into the sea—they spend it also! Suppose that 60 millions of tax is left in the hands of the people to spend, instead of Government departments. What does this represent in increased profit over industry as compared with Government expenditure? One cannot set a large figure upon such a transference. The fact of the matter is we incline to forget that the war is hardly over so far as finance is concerned, and that there is no ground for relaxing our effort, nor is there any cheap and easy road to stability and solvency.

Suppose that the Chancellor, as an opportunist, yields to this clamour for reduced rates of tax. If such a reduction cannot be made absolutely on its merits, but only upon this plea of "encouragement" to trade, the result must be an inevitable deficit with increased borrowing on Ways and Means advances. The resultant inflation may be pleasing for business while it lasts, but we are that much further once more from the stable course of public finance which should be our patient aim.

FIGURES AND PRICES

PAPER MONEY (in millions).

		Latest Note Issue.	Stock of Gold.	Ratio Gold to Notes.	Previous Note Issue.	Note Issue Mar. 31, 1921.
European Countries				%		
Austria	Kr.	281,997	?	—	271,758	41,067
Belgium	Fr.	6,313	267	4	6,244	6,105
Britain (B.of E.)	£	103	157	38	107	110
Britain (State)	£	300			325	343
Bulgaria	Leva	3,570	63†	1†	3,592	3,217
Czecho-Slov.	Kr.	9,958	953†	9†	10.155	10,922
Denmark	Kr.	446	228	57	398	517
Esthonia	Mk.	700	343†	98†	350	—
Finland	Mk.	1,425	43	3	1,444	1,476
France	Fr.	36,153	5,525	15	35,528	38,435
Germany	Mk.	130,671	996	—	122,903	69,417
Greece	Dr.	2,123	140	65†	2,116	1,603
Holland	Fl.	1,004	612†	61†	962	1,037
Hungary	Kr.	28,314	?	—	27,522	15,650
Italy (Bk.)	Lire	13,976	1,415†	10†	14,547	14,649
Jugo-Slavia	Dnrs.	4,704	74	1	4,696	3,500
Norway	Kr.	385	148	38	367	433
Poland	Mk.	247,209	28	—	240,000	74,087
Portugal	Esc.	752	9	1	748	635
Roumania	Lei	13,690	4,582	33	13,709	10,962
Spain	Pes.	4,178	2,521	60	4,134	4,255
Sweden	Kr.	554	274	49	569	717
Switzerland	Fr.	831	545	65	785	985
Other Countries						
Australia	£	56	23	41	58	59
Canada (Bk.)	$	163	165	36	194	206
Canada (State)	$	269			269	278
Egypt	£E	35	3	8	36	34
India	Rs.	1,746	24	13	1,729	1,662
Japan	Yen	1,246	1,246†	111†	1,118	1,106
New Zealand	£	8	8†	100†	8	8
U.S. Fed Res.	$	2,182	2,975	136	2,183	2,930

†Total cash.

GOVERNMENT DEBT (in thousands)

	Apr. 8, '22. £	Mar. 31, '22. £	Apr. 10, '21 £
Total deadweight	7,633,904	7,626,673	7,592,743
Owed abroad	1,084,614	1,085,114	1,131,505
Treasury Bills	825,634	882,219	1,115,812
Bank of England Advances	8,500	—	—
Departmental Do.	176,151	147,301	177,889

NOTE.—The highest point of the deadweight debt was reached at Dec. 31, 1919, when it touched 8,033 millions. On March 31 1921 it was 7,574 millions. Of the increase shown since then 102 millions represent a nominal addition, due to a conversion scheme.

GOVERNMENT ACCOUNTS (in thousands)

	Apr. 8, '22. £	Mar. 31, '22. £	Apr 10, '21. £
Total Revenue from Ap. 1	31,237	1,124,880	30,698
„ Expenditure „ „	38,968	1,079,187	49,583
Surplus or Deficit	—7,731	+45,693	—18,885
Customs and Excise	3,176	324,343	4,498
Income and Super Tax ...	18,190	398,887	23,766
Stamps	312	19,638	624
Excess Profits Duties ...	4	30,452	4,595
Post Office	555	56,400	1,000
Miscellaneous—Special ...	2,103	170,806	15,000

BANK OF ENGLAND RETURNS (in thousands)

	Apr. 5, '21. £	Mar. 29, '22. £	Apr. 6, '21. £
Public Deposits	24,163	30,037	21,495
Other „	122,365	120,504	124,212
Total	146,528	150,541	145,707
Government Securities ...	59,399	46,319	31,698
Other „ ...	80,378	97,931	124,213
Total	122,897	144,250	155,911
Circulation	139,777	122,719	129,215
Do. less notes in currency reserve	103,447	103,269	109,765
Coin and Bullion	128,879	128,771	128,348
Reserve	24,432	24,502	17,583
Proportion	16.7%	16.2%	12⅛%

CURRENCY NOTES (in thousands)

	Apr. 5, '22. £	Mar. 29, 22. £	Apr. 6, '21. £
Total outstanding	302,977	300,351	342,560
Called in but not cancld.	1,649	1,654	2,202
Gold backing	28,500	28,500	28,500
B. of E. note, backing ...	19,450	19,450	19,450
Total fiduciary issue	253,378	250,747	292,408

BANKERS CLEARING RETURNS (in thousands)

	Apr. 5, '22. £	Mar. 29, 22. £	Apr. 6, '21. £
Town	861,642	622,106	704,886
Metropolitan	36,434	29,325	39,245
Country	62,332	50,435	77,457
Total	960,408	701,866	821,588
Year to date	10,965,877	10,005,469	9,945,171

LONDON CLEARING BANK FIGURES (in thousands)

	Mar., 22. £	Feb., '22. £	Apr., '21. £
Coin, notes, balances with Bank of England, etc....	207,906	210,351	204,983
Deposits	1,791,860	1,847,789	1,751,719
Acceptances	57,558	63,352	63,585
Discounts	353,901	403,622	278,302
Investments	386,013	378,151	322,784
Advances	764,508	765,677	869,901

MONEY RATES

	Apr. 12, '22. %	Apr. 6, '22. %	Apr. 12, '21. %
Bank Rate	4½	4½	7
Do. Federal Reserve N.Y.	4½	4½	7
3 Months' Bank Bills ...	$2\frac{1}{16}$	$2\frac{3}{16}$	6-6⅛
6 Months' Bank Bills ...	$2\frac{3}{16}$	$2\frac{3}{16}$	5⅞-6
Weekly Loans	2¾-3	3	5¼

FOREIGN EXCHANGES (telegraphic transfers)

	Apr. 12, '22.	Apr. 6, '22.	Apr. 12, '21.
New York, $ to £	4.41¼	4.38⅝	3.90⅞
Do., 1 month forward ...	4.41¼	4.38⅝	—
Montreal, $ to £	4.52½	4.51¼	4.41½
Mexico, d. to $	26½d.	26½	30¾d.
B. Aires, d. to $	44⅛d.	43⅞	45⅛
Rio de Jan., d. to milrs....	7⅜d.	7⅜d.	$8\frac{11}{16}$d.
Valparaiso, $ to £	39.50	40.20	—
Montevideo, d. to $	42⅝d.	42⅜d.	42⅛d.
Lima, per Peru £	22% prem.	24% prem.	—
Paris, frcs. to £	47.90	48.15	55.02½
Do., 1 month forward ...	47.90	48.15	—
Berlin, marks to £	1,310	1,350	247½
Brussels, marks to £......	51.70	52.00	53.07½
Amsterdam, fl. to £	11.65	11.62	11.28½
Switzerland, frcs. to £ ...	22.70	22.59	22.60
Stockholm, kr. to £......	16.91	16.86	16.35½
Christiania, kr. to £	23.85	24.18	24.29½
Copenhagen, kr. to £...	20.75	20.79	21.58½
Helsingfors, mks. to £...	239	232	180
Italy, lire to £	82	84	80¼
Madrid, pesetas to £ ...	28.42	28.73	28.09½
Greece, drachma to £ ...	98	101½	56¾
Lisbon, escudo to d.	4⅜d.	4⅜d.	5¼d.
Vienna, kr. to £...	33,250	33,000	1,350
Prague, kr. to £............	217	235	279½
Budapesth, kr. to £......	3,400	3,900	—
Bucharest, lei to £	600	620	230½
Belgrade, dinars to £ ...	350	360	—
Sofia, leva to £	640	640	—
Warsaw, marks to £ ...	16,250	16,875	3,100
Constntnple, piastres to £	620	660	—
Alexandria, piastres to £	97½	97½	97½
Bombay, d. to rupee / Calcutta, d. to rupee	15⅛d.	$15\frac{3}{16}$d.	15¾d.
Hongkong, d. to rupee ...	29½d.	29½d.	30⅜d.
Shanghai, d. to tael	39d.	39d.	39¾d.
Singapore, d. to $	27⅝d.	27⅝d.	28d.
Yokohama, d. to yen ...	25¾d.	$25\frac{13}{16}$d.	$29\frac{7}{16}$d.

UNEMPLOYMENT

	Apr. 3, 1922.	Mar. 27, 1922.	Mar. 20, 1922.	June 24, 1921.
Men	—	—	1,367,974	1,549,307
Women	—	—	293,088	477,627
Juveniles	—	—	99,014	150,965
Total	1,742,517	1,739,764	1,760,076	2,177,899
On relief work	—	—	139,584	—

COAL OUTPUT

Week ending	Apr. 1, 1922. tons.	Mar. 25, 1922. tons.	Mar. 18, 1922. tons.	Apr. 4* 1921. tons.
	4,825,400	4,929,300	4,956,900	—
	62,191,700	57,366,300	52,437,000	48,105,280

* Dispute.

IRON AND STEEL OUTPUT

	1922. Feb. tons.	1922. Jan. tons.	1921. Dec. tons.	1921. Feb. tons.
Pig Iron	300,100	288,000	275,000	463,600
Yr. to date	588,100	288,000	2,611,000	1,105,700
Steel	415,000	327,500	381,000	483,500
Yr. to date	742,500	327,500	3,624,800	976,900

PRICES OF COMMODITIES

METALS, MINERALS, ETC.

	Apr. 12, '22.	Apr. 6, '22.	Apr. 6, '21.
Gold, per fine oz.	93s. 5d.	95s. 0d.	104s. 10d.
Silver, per oz.	33¼d.	33⅝d.	36½d.
Iron, Sc'h pig No. 1 ton	£4.16.0	£4.16.0	£8.5.0
Steel rails, heavy ,,	£9.5.0	£9.5.0	£18.0.0
Copper, Standard ,,	£58.16.3	£58.8.9	£69.1.3
Tin, Straits ,,	£148.7.6	£144.3.9	£157.5.0
Lead, soft foreign ,,	£22.8.9	£21.12.6	£20.15.0
Spelter ,,	£26.10.0	£26.0.0	£25.10.0
Coal, best Admiralty ,,	27s. 6d.	27s. 6d.	57s. 0d.

CHEMICALS AND OILS

Nitrate of Soda, per ton	£16.0.0	£16.0.0	£22.10.0
Indigo, Bengal per lb.	10s. 0d.	10s. 0d.	10s. 0d.
Linseed Oil, spot per ton	£38.0.0	£35.10.0	£25.10.0
Linseed, La Plata ton	£19.0.0	£18.10.0	£13.15.0
Palm Oil, Benin spot ton	£33.10.0	£33.10.0	£32.0.0
Petroleum, w. white gal.	1s. 5d.	1s. 5d.	2s. 4¼d.
Turpentine cwt.	71s. 9d.	69s. 0d.	51s. 6d.

FOOD

Flour, Country, straights ex mill 280 lb.	42s. 3d.	42s. 3d.	61s. 6d.
Wheat, English Gaz. Avge. per 480 lbs.	51s. 4d.	52s. 0d.	88s. 3d.
Wheat, No. 2 Red Winter N.Y. per bush.	146¾ cents.	145 cents.	165 cents.

TEXTILES, ETC.

Cotton, fully middling, American per lb.	10.46d.	10.72d.	8.08d.
Cotton, Egyptian, F.G.F. Sakel per lb.	17.50d.	17.75d.	17.50d.
Hemp. N.Z. spot, per ton	£32.0.0	£32.0.0	£44.0.0
Jute, first marks ,,	£26.5.0	£26.0.0	£33.10.0
Wool, N.S.W. av. combing 64's per lb.	54d.	52d.	36d.
Rubber, Std. Crepe, lb.	8½d.	8½d.	11¼d.
Leather, sole bends, 14-16lb per lb.	2s. 5d.	2s. 5d.	2s. 6d.

OVERSEAS TRADE (in thousands)

	Feb., 1922.	Feb., 1921.	two months 1922.	two months 1921.	
	£	£	£	£	%
Imports	69,375	97,010	145,863	214,051	— 31
Exports	58,335	68,222	121,482	160,978	— 24
Re-exports	10,174	8,004	18,633	17,959	+ 3
Balance of Imports	766	20,784	5,748	35,114	— 83
Export cotton goods	13,446	20,137	30,259	44,109	— 31
Expt. woollen goods	3,986	5,854	8,997	13,756	— 33
Export coal value...	4,446	4,241	9,230	9,796	— 5
Do. quantity tons...	4,014	1,729	8,035	3,429	+134
Export iron, steel...	4,665	7,223	10,525	17,914	— 41
Export machinery...	4,636	6,398	10,436	14,458	— 27
Tonnage entered ...	2,568	2,537	5,474	5,461	—
,, cleared	3,903	2,616	7,821	5,233	+ 49

INDEX NUMBERS

United Kingdom— Wholesale (*Economist*).	Mar., 1922.	Feb., 1922.	Jan., 1922.	Mar., 1921.	July, 1914.
Cereals and Meat	980	948	907½	1,212	579
Other Food Products ...	687	640½	654½	727	352
Textiles	1,038	1,037½	1,066½	1,030	616½
Minerals	700	696½	730	1,003	464½
Miscellaneous	892	936½	925½	1,125	553
Total	4,297	4,259	4,284	5,097	2,565

Retail—(Ministry of Labour)—	Feb., 1922.	Jan., 1922.	Dec., 1921.	Feb., 1921.	July. 1914.
Food only	177	179	185	263	100
All items	186	188	192	249	100

France—Retail (*Paris*)	Jan., 1922.	Dec., 1921.	Nov., 1921.	Jan., 1921.	July, 1914.
Food, Fuel, Lighting	319	323	326	370	100

Germany—Wholesale (*Frankfurter Zeitung*)	Mar. 1, 1922.	Feb. 1. 1922.	Jan. 1, 1922.	Mar. 1, 1921.	average 1913.
All Commodities	435	352	317	131	9.23

United States—Wholesale (*Bradstreet's*)	Mar. 1, 1922.	Feb. 1, 1922.	Mar. 1, 1921.	Aug. 1, 1914.
	$	$	$	$
All Commodities.	11.6001	11.4190	11.8560	8.7087

FREIGHTS

From Cardiff to		Apr. 12, 1922.	Apr. 6, 1922.	Apr. 12,* 1921.
West Italy	(coal)	12/6	12/9	18/0
Marseilles	,,	12/3	12/3	16/0
Port Said	,,	14/3	14/6	17/6
Bombay	,,	21/0	21/0	23/0
Islands	,,	11/0	11/0	12/0
B. Aires	,,	18/0	17/0	20/0
From				
Australia	(wheat)	47/6	47/6	58/9
B. Aires	(grain)	22/6	22/6	37/6
San Lorenzo	,,	25/0	25/0	40/0
N. America	(grain)	3/6	3/6	5/6
Bombay	(general)	20/0	21/0	20/0
Alexandria	(cotton-seed)	11/0	12/0	14/0

*Nominal owing to mining dispute.

TRADE OF COUNTRIES (in millions).

Country.		Months.	1921. Imports.	1921. Exports.	+ or — Exports.
Belgium	Fr.	12	10,054	7,147	— 2,907
Bulgaria	Leva	9	1,900	1,000	— 900
Denmark	Kr.	2†	102	80	— 22
Finland	Mk.	2†	146	146	—
France	Fr.	2†	3,335	3,492	+ 157
Germany	Mk.	2†	24,800	29,000	+ 4,200
Greece	Dr.	1†	159	83	— 76
Holland	Fl.	2†	304	190	— 114
Spain	Pes.	12	1,260	798	— 462
Sweden	Kr.	1†	76	61	— 15
Switzerland	Fr.	12	2,296	1,764	— 532
B. S. Africa	£	12	53	61	+ 8
Brazil	Mrs.	12	1,690	1,710	+ 20
Canada	$	12	799	816	+ 17
Egypt	£E	12	56	42	— 14
India	Rs	2†	52.98*	40.60*	— 12.38*
Japan	Yen.	2†	372	188	— 184
New Zealand	£	12	43	45	+ 2
United States	$	2†	434	530	+ 96

*Lakhs. †1922.

SECURITY PRICES

BRIT. AND FOREIGN GOVT.

		Apr. 12, '22.	Apr. 6, '22.	Apr. 12, 21.
Consols		58¾	57⅞	48¼
War Loan	3½% ...	94¼	94½	85
Do.	4½% ...	94¾	94½	79½
Do.	5% ...	100 3/16	99½	86 15/16
Do.	4% ...	100¾	100¾	93
Funding	4% ...	86	85½	70½
Victory	4% ...	89¾	90½	76½
Local Loans	3% ...	64	63¾	52¼
Conversion	3½% ...	75¼	74⅝	—
Bank of England		237	240	176½
India	3½% ...	64½	65	55½
Argentine (86)	5% ...	98	97½	92
Belgian	3% ...	71¾	71¼	58
Brazil (1914)	5% ...	71¾	71¾	56
Chilian (1886)	4½% ...	82¾	79½	69½
Chinese	5% '96	92¼	93¼	82½
French	4% ...	36¾	35½	33
German	3% ...	2 9/16	2 9/16	6⅛
Italian	3½% ...	24½	23½	21½
Japanese	4½% (1st)	103	102¼	106
Russian	5% ...	15½	13	14½

RAILWAYS.

	Apr. 12, '22.	Apr. 6, '22.	Apr. 12, 21.
Great Central Pref.	18	17¾	9¼
Great Eastern	38½	38¾	27¼
Great Northern Pref.	65	60¾	41½
Great Western	94½	93¾	66½
Lond. Brighton Def.	57	57	40½
Lond. Chatham	10	10¼	5⅝
L. & N.W.	94¼	92¾	70½
L. & S.W. Def.	28¼	28	19
Metropolitan	41½	42	22½
Do. District	32½	33¾	14½
Midland Def.	61¾	60¾	43½
North Brit. Def.	16¼	16¼	10¾
North Eastern	93½	94½	73½
South Eastern Def.	34¾	34½	21¾
Underground "A"	6/9	6/9	6/3
Antofagasta	59	55	53
B.A. Gt. Southern	70½	70½	52½
Do. Pacific	51	50	39½
Canadian Pacific	160½	157	143
Central Argentine	62½	60½	50½
Grand Trunk	1½	1½	4⅛
Do. 3rd. Pref.	4	4	12
Leopoldina	27½	27	21
San Paulo	116	110	123
United of Havana	58½	56	66

INDUSTRIALS, ETC.

	Apr. 12, '22.	Apr. 6, '22.	Apr. 12, 21.
Anglo-Persian 2nd Pref....	26/0	24/3	—
Armstrongs	17/1½	15/9	16/9
Brit.-Amer. Tobacco	76/9	75/6	66/0
Burmah Oil	5 13/16	5 11/16	7 1/32
Coats	62/3	59/6	45/0
Courtaulds	40/0	38/0	31/3
Cunard	21/3	19/0	18/9
Dorman Long	17/6	17/6	17/6
Dunlop	7/0	6/3	11/3
Fine Spinners	37/3	36/6	36/9
Hudsons Bay	6⅝	6 5/16	5¾
Imp. Tobacco	59/0	58/9	47/6
Linggi	26/9	25/0	31/3
Listers	21/6	20/6	16/3
Marconi	2 3/16	2 3/16	2⅛
Mexican Eagle	3⅝	3 11/16	5 11/16
P. & O. Def.	317	305	340
Royal Mail	84	85	92½
Shell	5¼	5 1/32	5⅛
Vickers	12/3	10/4½	12/6

New Issues

Western Australia. An issue was offered at 96 of £2,000,000 5 per cent. Inscribed Stock, 1935-1945. The proceeds will be used for railways, harbours, water supply, land resumption for closer settlement, agriculture, goldfields, and settling ex-soldiers on land. "Western Australia Government Debentures and Inscribed Stock issued and payable in London, and the interest thereon, the property of persons not domiciled in Western Australia, are not, and will not be, subject to any taxes, duties or levies by that State." A Sinking Fund at the rate of one-half per cent. per annum will be provided. The accumulated Sinking Funds invested in the names of trustees in London now amount to above £8,000,000. The stock is a trustee security.

International Sleeping Car Company. An offer for sale at 87½ was announced of £500,000 Six per cent. Sterling Bonds, ranking *pari passu* with the existing bonds amounting to frs. 57,862,500. Principal and interest will be free from all present or future Belgian taxes or other Belgian deductions. The bonds will be redeemed, by the operation of a Cumulative Sinking Fund, beginning in July, 1926, to be applied annually in drawings at par, and calculated to redeem the whole of the bonds by July, 1955. The company have the right to redeem the entire outstanding issue at par on and after July, 1932, on three months' notice. Principal and interest will be payable in sterling in London. The object of the present issue is to provide funds mainly for the payment for new rolling stock ordered in England. The prospectus is in most respects very clear and informing, but a meticulous investor might perhaps like to have more specific details about the length of the contracts between the company and the railways over which it runs its cars. But the high rate of interest, the substantial bonus on redemption and the company's successful part make the issue attractive.

Foreign News

German Trade. In view of the manifold complaints, voiced here and elsewhere, regarding the destructive influence of the Teutonic competition, the following comparative figures (in millions of metric quintals) should be a useful guide as to the development of the German export trade in recent years:

	Total exports	Monthly average
1913 (whole year)	737.5	61.45
1920 ,, ,,	198.4	16.53
1921 (May to Dec.)	137.2	17.15
1922 (Jan. to Feb.)	37.75	18.875

The data for the past year are incomplete, as, so far, the foreign trade statistics for the first four months have not been published. Therefore, the monthly average for 1921 as well as that for the first two months of the current year must be taken for what they are worth. As far as they go these figures give some indication as to the progress made during the post-war period, but even at their best, the exports reach only about 30 per cent. of the pre-war standard.

As regards the destination of this trade it is of interest to note, that, according to recent official information, the European States have taken during the past two years a comparatively larger share in it than the overseas nations. The following table shows the percentages of Germany's exports to the several parts of the world:

	1913	1920	1921
Europe	76 p.c.	82.4 p.c.	79.6 p.c.
America	15.3 ,,	12.9 ,,	13.3 ,,
Asia	5.5 ,,	4.1 ,,	6.8 ,,
Africa	2.2 ,,	0.6 ,,	0.2 ,,
Australia	1.0 ,,	—	0.1 ,,

In Europe we find that the Allied countries (*exclusive* of reparation deliveries) have taken in 1913, 31.4 per cent., in 1920, 18.2 per cent., and in 1921, 16.2 per cent. The British share is of 6.1 per cent. for 1921, as compared with 14.2 per cent. in 1913. France represents in 1921 (including Alsace Lorraine), 2.8 per cent. as against 7.8 (excluding Alsace Lorraine) in 1913. On the other hand the share of the non-belligerents, no doubt partly as transit trade, has increased as shown by the following comparative figures:

	1913	1920	1921
Holland	6.9 p.c.	19.7 p.c.	17.2 p.c.
Scandinavia	6.7 ,,	14.9 ,,	11.8 ,,
Spain	1.4 ,,	2.7 ,,	2.5 ,,
Switzerland	5.3 ,,	5.6 ,,	5.1 ,,

Only Switzerland shows a slight decline. The South Eastern States (Austria Succession and Balkanic countries) remained stable markets: 1913, 14 per cent., and 1921, 14.1 per cent. Eastern Europe (the former Russia) makes a better show than one might have expected; the figure for 1921 being 5.1 per cent. (1913, 9.7 per cent., and 1920, 3.8 per cent.) In Asia, Japan has increased her share from 1.2 to 2.6 per cent., and the Dutch East Indies from 0.9 to 1.8 per cent., whilst British India and China show slight recessions. As regards America the great Northern Republic absorbed in 1913, 7.1 per cent. of Germany's exports, and in 1921 0.1 per cent. more, as against 6.3 per cent. in 1920, whilst Argentina and Brazil took less, viz., 3.1 per cent., against 4.6 per cent. for 1913. Africa and Australia remained poor customers, as the above figures show conclusively.

There can be little doubt that less would be heard about German competition were it not for the exchange position, owing to which that country enjoys for the time being the doubtful advantage of low real wages. The wages, however, are increasing, and in other respects Germany's position is deteriorating rapidly. Her stocks of food and raw materials will require replenishing later in the year, as, according to the statistics for the past few months, her purchases abroad show a considerable decline after the sudden spurt which had occurred during last autumn. Owing to this fact the cash balance of her foreign trade has tended to improve, and since December there is a surplus of exports in value as compared with the imports. Below are given the favourable balances of the past few months, which have followed on a long series of adverse months.

	Mill. marks.		Metric quintals.
Dec., 1921	+ 847	(excess of imports:	1,562,000)
Jan., 1922	+ 1761	(,, ,, ,,	2,847,000)
Feb., 1922	+ 2501	(excess of exports:	2,721,000)

As the exports show the following totals:

	Weight.	Value.
Dec., 1921	19,295,000 m. q.	14,554 mill. marks.
Jan., 1922	20,271,000 m. q.	14,528 mill. marks.
Feb., 1922	17,473,000 m. q.	14,540 mill. marks.

it is evident that the apparent improvement indicated by the monthly balances is the direct outcome of the exchange slump, owing to which a smaller quantity of exported goods produced a larger amount of paper currency, whilst at the same time the higher foreign rates render imports more and more prohibitive. Thus, we find that in October last 30,048,000 metric quintals of imports were valued at 13,875 million marks, but in February 12,047 million marks had to be paid for only 14,752,000 metric quintals. To enable Germany to replenish her stocks of materials, the exports must be augmented considerably later on, but there the difficulty arises that, owing to the sentimental influence of the exchange depreciation the German public is hoarding goods, so that the industries have to work increasingly for home consumption, and this leaves a smaller volume available for export. Should the mark be stabilized some of these hoards would naturally be dispersed, and the situation would become easier, as then a larger quantity of commodities could be exported.

Review

World Trade and World Recovery. By Mercator. Eveleigh Nash and Grayson. 4s. 6d. net.

DESCRIBED by its sub-title as being "the reflections of a business man who wants to know why trade stands still, and how we shall pay for to-morrow's food," this book is dedicated to "a village in the Surrey hills where they seek understanding." This note of simplicity thus struck on the title page and in the dedication is maintained throughout the book. In the opening chapter the author asks a number of questions such as "Must we export in order to eat the bread which we have got? Or is it that we must export only in order to pay for our imported food, and for raw materials which we do not ourselves possess? If so, why is there unemployment? Can we not pay for our food and our raw materials? And if we can, cannot the world outside supply us with the food we want?" And many others. He observes that he is going to think aloud about all these ordinary things and is going to reject all evidence which cannot be observed in everyday life by everyday people. The result is, as might be expected, a book which is interesting for its earnestness and simplicity rather than for anything startlingly original in the results arrived at. The author lays timely stress upon the fact that we must export in order to pay for what we eat and that the way to greater wealth all round is through an improvement in general efficiency. He maintains it is the useful employment of capital which matters and not its ownership. "It is its useful employment, and not its distribution. If it is usefully employed in industry, and if industry is efficiently managed, and if each worker in industry strives to attain to a higher efficiency—if these three conditions are fulfilled it will not be the wealth of the wealthy that will keep poor men poor. The wealth of the wealthy will then, on the contrary, fulfil a fundamental function in raising the purchasing power of money, in improving the standard of living, in creating the power to save and in making poor men richer."

In the course of his discussion of reparation problems the author makes many statements with which it is somewhat difficult to agree. He fulminates against the gamble that is going on all over the world in rates of exchange and especially in German marks. He states that "the profits on these transactions are paid by the unhappy countries whose money-tokens are a pawn in the game of unprincipled speculators, who do not mind the bleeding white of other people so long as they may fatten on the immoral proceeds of their parasite game." He thus implies that the profits of speculators in exchange are paid by the countries whose currencies are gambled in. But, surely, a large part of the gains of one set of speculators is usually lost by another set of speculators, while, in the meantime, the countries which create the currencies are enabled, by selling them on the Bourses of the world to raise a loan from foreign creditors without paying interest on it. Mr. Keynes, in fact, has argued, that foreign speculators have been paying German reparations by buying German marks at prices which have since caused them enormous losses. Again, when he says that in order to pay us reparations Germany must export goods and services to us, Mercator seems likely to mislead both himself and his readers. It surely is not at all necessary that Germany should do anything of the kind. She can sell goods all over the world and by simply turning the foreign currencies that she acquires in return for those sales into sterling she then provides herself with the money for paying reparations to us. Again, he makes questionable assertions in discussing the problem of inter-allied debt. For example, he says, "For the moment let us look at France. France owes us a lot of money. We all know that. Few of us know how much. But it doesn't matter. What matters is that it is more than France can pay. As a result France has no credit in this country. France cannot buy from us. Therefore we cannot sell to France. And therefore, too, we cannot buy in France. If we don't buy in France we don't need any French money. There is no demand in England for French francs. Therefore, in England French francs are cheap." So far from its being true that France has no credit in this country, there has lately been an overwhelming rush on the part of investors to subscribe for French railway bonds with the guarantee of the French Government. The debt that France owes to us has, for the present, no practical effect upon the rate of exchange because no attempt is being made to pay the interest on that debt, and a great many people believe that it is certain to be cancelled or somehow abolished before we are much older. It is not true that France cannot buy from us or that we therefore cannot sell to France and still less that therefore we cannot buy in France. It is certainly true that our trade with France, as with most other countries, is not as active as we should like to see it; but to write of it as if it had been blotted out, can only mislead inquirers.

FOREIGN BOND HOLDERS AND DEBTORS

IN its forty-eighth annual report the Council of the Corporation of Foreign Bond Holders congratulates itself and its readers, and with some reason, on the fact that the past year has not been a good deal worse than it was in the matter of defaults by borrowing states. When we consider the extent of currency depreciation throughout the world and the astonishing breakdown in trade following the revival of 1919-20 it certainly says a good deal for the efforts of debtors to meet their obligations when we find that there has not been any material increase in the list of defaulting nations.

In fact the Council is able to report that after long-drawn negotiations Bulgaria, one of the late enemy powers, has made arrangements for the resumption of payments on its external debt. These arrangements entail sacrifice on the part of the bond holders, especially in the case of drawn bonds, but the Council considers that they may probably be regarded as the best possible under the difficult circumstances in which Bulgaria is placed in consequence of the heavy depreciation in its currency. "It is only fair," it adds, "to the Bulgaria representatives to say that they appeared sincerely desirous to maintain the honour and credit of their country." A suspension of payments has taken place in the case of the 5 per cent. Cuban Treasury Bonds and of the Chinese 8 per cent. 10-year Treasury Bills issued in 1918. With regard to the Latin-American countries, Salvador has made a settlement of her external debt which went into default in 1920, while Colombia, Costa Rica, Nicaragua, Venezuela, Santa Domingo and Guatemala (except so far as the settlement of the arrears of interest is concerned) have continued to keep faith. In Ecuador the position remains much the same and the Council regrets that the positive assurances given by the President that the deposits made for the service of the debt would be strictly respected have not been observed. As to Liberia one arrear coupon was paid during 1921 and a note adds that a further coupon dated January 1st, 1921, was advertised for payment on March 1st, 1922. "The Council can only repeat that the neglect of the Governments under whose auspices the loan of 1913 was issued, to see that the provisions of the contract under which subscriptions to the loan were obtained are complied with, has been bewildering. It is hoped that the present unsatisfactory situation may before long be terminated by the repayment of the loan." The Governments whose action is thus criticized were those of Great Britain, France, Germany and the United States, and after making all allowances for the events that have happened since the loan was issued its history is certainly a melancholy example of the futility of the presence of distinguished sponsors at the font when a weak financial bantling is started on its career. The Council express disappointment owing to the passing of another year

without any settlement being made with the creditors of Mexico and express doubt as to whether the statements which have appeared from time to time as to the peaceful and settled conditions there prevailing are altogether correct. "The service of the external debt of Paraguay has continued in suspense and Honduras in about twelve months' time will be able to celebrate the jubilee of its default on its foreign obligations." This rather bitter expression concerning a defaulting creditor, in whose case the sin was by no means all on one side, may help to remind those who hold forth concerning the dishonesty of defaulting states that the circumstances under which foreign loans have been issued in the past, and the difference between the amount of cash subscribed by investors and actually delivered to the borrowers, are considerations that must not be forgotten.

THE DISTRIBUTION OF CAPITAL ISSUES

In the first quarter of 1920 over 86 per cent. of capital raised was for use within the United Kingdom, but in the corresponding period of 1922 the percentage dropped to 46.8 per cent., foreign countries receiving 32 per cent. of the total subscriptions, the remainder going to British Possessions and to India and Ceylon. The amount raised by foreign governments in America has also shown considerable increase; in the two months ended February, $118,000,000 was obtained, contrasting with $69,000,000 in the two months of 1921, $50,000,000 in 1920, and $28,000,000 in 1919. Among the recent borrowers in the United States have been Holland and Queensland. The former floated a loan for 75,000,000 guilders, returning a yield with the exchange at 38½ cents per guilder, of about 6.30 per cent. if redeemed at the earliest date and 6.15 per cent. if held to maturity. For its $10,000,000 loan Queensland had to pay 6¼ per cent. Details of new capital issues this year in the United Kingdom and in the United States, with comparisons, are given below:—

*UNITED KINGDOM (in thousands).

3 Months		Distribution: U. K.	India	Brit. Poss.	Foreign	Total
		£	£	£	£	£
1922	...	43,618	120	18,926	30,567	93,231
1921	...	36,218	163	9,166	12,803	58,350
1920	...	127,010	1,340	11,256	7,410	147,016
1919	...	34,776	24	4,478	608	39,886

* From figures compiled by the London Joint City and Midland Bank.

*UNITED STATES (in millions).

(New capital only: refunding loans excluded. The compilation used is that of the *New York Chronicle*)

2 months		Home Corporations	Municipal: Home	Canadian	Foreign	Total
		$	$	$	$	$
1922	...	401*	162	26	112	701
1921	...	386	150	8	69	613
1920	...	487	113	3	50	653
1919	...	333	51	6	—	390

* Including $90 millions of Federal Farm Loans.

OVERSEAS TRADE IN MARCH

Preliminary figures of overseas trade for March published by the *Board of Trade Journal* show imports £87,879,424 against £93,741,654 in March, 1921; exports (British) £64,580,793 against £66,808,961, exports (Foreign & Colonial) £10,153,612 against £8,888,005. Commenting on the figures our contemporary observes that: "In comparing the trade of March with that of February some allowance must be made for the latter being a shorter month, and in comparisons with March, 1921, it must be borne in mind that Easter fell in that month, though so late that its effects were probably shown mainly in the records of April trade.

"Taking imports as a whole their value was greater than in either January or February, and was within 6.3 per cent. of their value in March, 1921, despite the considerable fall in the average level of prices which has taken place in the twelve months. The increase, compared with February, of £13,000,000 in the imports of "Food, Drink, and Tobacco" is mainly due to the importation of 11,982,100 cwt. of wheat, valued at £7,633,713, and 1,320,200 cwt. of flour, valued at £1,085,271, whereas the imports of wheat in February were 4,366,500 cwt., valued at £2,601,951, and the imports of flour were 712,340 cwt., valued at £554,685.

"The very noticeable increase in the value of raw materials imported—very nearly 25 per cent. above their value in March, 1921—will be remarked, as well as the striking fall—about 20 per cent.—in the value of imported manufactured foods. Taking into account the fall in prices, the increase in the quantity of imported raw materials becomes even more encouraging and offsets any effect which lower prices might have in maintaining the volume of imported manufactured goods. It may be recalled that crude metals and undressed leather are included in the latter class.

"Exports of British produce and manufactures were higher in value in March than in either January or February, and were only 3.3 per cent. less than in March, 1921. The figures of raw materials exported indicate the recovery of our coal export trade, and the decline of 9.1 per cent. in the value of our exports of manufactured goods can be entirely accounted for by prices. Exports of foreign and colonial produce were practically identical in value with those of February and substantially higher than in January, 1922, or March, 1921.

"Taking the first three months of 1922 together imports of merchandise were in excess of exports by £18,860,000, but on the other hand exports of coin and bullion were in excess of imports by nearly £2,447,000, making the net excess of imports £16,413,000. The corresponding excess of imports in the first three months of 1921 was £52,797,000, and in the first three months of 1920 £49,589,000."

Publications Received

The South African Currency and Exchange Problem Re-examined. By Sir Henry Strakosch. Central News. 6d.

The Stock Exchange Official Intelligence for 1922. Spottiswoode, Ballantyne & Co. 80s. net.

Cull & Co.'s Financial Review. April. A review devoted principally to the position and prospects of the oil industry. Annual subscription £1, post free.

Monthly Review, Barclays Bank. April.

Dividends

ABOUKIR COMPANY.—Final 3 p.c., making 9 p.c. for 1921.

AMALGAMATED PRESS.—At 30 p.c. per annum on Ordinary for half-year.

AYER KUNING RUBBER.—10 p.c. for 1921.

BORAX CONSD.—At the rate of 6 p.c. per annum on Preferred Ordinary for half-year ended 31st March.

BRITISH L. M. ERICSSON.—10 p.c., tax free, on Ord. for 1921.

CITY OF DUBLIN STEAM PACKET.—At 6 p.c. per annum on Ord. for half-year ended February.

CITY OF SANTOS IMPROVEMENTS.—Final 3 p.c., making 5 p.c. for 1921.

DIRECT UNITED STATES CABLE.—Final 4s. per share, making 4 p.c. for year ended 31st March.

EASTERN EXTENSION TELEGRAPH.—Final 2½ p.c., tax free, making 10 p.c., tax free, for 1921.

HIGHLANDS AND LOWLANDS PARA RUBBER.—2½ p.c. for 1921.

HOPE BROTHERS.—Final 3½ p.c. on Ord., making 6 p.c. for year ended February 28. 10 p.c. was paid for the prev. year.

INDO-EUROPEAN TELEGRAPH.—Final £1 2s. 6d. per share, making 7 p.c., tax free, for 1921.

JAMES W. COOK & CO.—Final 6 p.c. on Ordinary, making 10 p.c. for 1921 and bonus of 5 p.c., tax free.

JOHN BARKER & CO.—Final 15 p.c. on Ordinary, making 20 p.c. for year ended 31st January.

JOSEPH LUCAS.—At 5 p.c. per annum on Ordinary for half-year.

LICENSES AND GENERAL INSURANCE.—Final 6 p.c., making 11 p.c., tax free, for 1921.

LIMA RLYS.—Final 2s. 4d. per share, making 4s. per share for 1921.

MONTE VIDEO WATER.—Final 5 p.c., making 8 p.c. for 1921.

PEOPLE'S REFRESHMENT HOUSE ASSOCIATION.—7½ p.c. for 1921.

ROBINSON & CLEAVER.—At 5 p.c. per annum, tax free, on Ord. for half-year ended January.

SCHWEPPES.—7 p.c. for 1921 on Ordinary and 5 p.c. on Deferred.

STAGG & MANTLE.—Final 10 p.c. on Ord., making 15 p.c. for year, plus a bonus of 5 p.c.

UNION CORPORATION.—16 p.c. for 1921.

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